



Reprinted
March 16, 2007

ENGROSSED SENATE BILL No. 416

DIGEST OF SB 416 (Updated March 15, 2007 2:07 pm - DI 92)

Citations Affected: IC 6-1.1; noncode.

Synopsis: Property taxes. Provides for the following filing deadlines for property tax deductions: (1) June 11 for real property; and (2) March 31 for mobile homes or manufactured homes that are not assessed as real property. Changes the filing deadline for the homestead credit with respect to mobile homes or manufactured homes that are not assessed as real property from March 2 to March 31. Increases the maximum assessed value for eligibility for the property tax deduction for certain disabled veterans from \$113,000 to \$300,000.

Effective: Upon passage; January 1, 2007 (retroactive); July 1, 2007.

Young R, Kenley, Skinner

(HOUSE SPONSORS — DEMBOWSKI, OXLEY, SAUNDERS)

January 11, 2007, read first time and referred to Committee on Tax and Fiscal Policy.
January 30, 2007, reported favorably — Do Pass.
February 6, 2007, read second time, ordered engrossed.
February 7, 2007, engrossed.
February 13, 2007, read third time, passed. Yeas 46, nays 0.

HOUSE ACTION

February 27, 2007, read first time and referred to Committee on Ways and Means.
March 12, 2007, reported — Do Pass.
March 15, 2007, read second time, amended, ordered engrossed.

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ES 416—LS 7542/DI 52+



Reprinted
March 16, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 416

A BILL FOR AN ACT to amend the Indiana Code concerning
taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-12-2, AS AMENDED BY P.L.154-2006,
2 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 2. (a) Except as provided in section 17.8 of
4 this chapter, a person who desires to claim the deduction provided by
5 section 1 of this chapter must file a statement in duplicate, on forms
6 prescribed by the department of local government finance, with the
7 auditor of the county in which the real property, mobile home not
8 assessed as real property, or manufactured home not assessed as real
9 property is located. With respect to real property, the statement must
10 be filed during the twelve (12) months before June 11 of each year for
11 which the person wishes to obtain the deduction. With respect to a
12 mobile home that is not assessed as real property or a manufactured
13 home that is not assessed as real property, the statement must be filed
14 during the twelve (12) months before March ~~2~~ 31 of each year for
15 which the individual wishes to obtain the deduction. The statement may
16 be filed in person or by mail. If mailed, the mailing must be postmarked
17 on or before the last day for filing. In addition to the statement required

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by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

(1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.

(2) The assessed value of the real property, mobile home, or manufactured home.

(3) The full name and complete residence address of the person and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

SECTION 2. IC 6-1.1-12-10.1, AS AMENDED BY P.L.154-2006, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 10.1. (a) Except as

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provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed ~~between January 15 and March 31, inclusive~~ **during the twelve (12) months before March 31, inclusive** of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 3. IC 6-1.1-12-12, AS AMENDED BY P.L.141-2006, SECTION 9, AS AMENDED BY P.L.145-2006, SECTION 16, AND AS AMENDED BY P.L.154-2006, SECTION 14, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON

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PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be filed during the twelve (12) months before ~~May~~ June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March ~~2~~ 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of a county office of family and children, the division of family ~~and children~~, resources, or the division of disability ~~aging~~, and rehabilitative services; or

(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that ~~he~~ the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 4. IC 6-1.1-12-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

(1) the individual served in the military or naval forces of the United States for at least ninety (90) days;

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(2) the individual received an honorable discharge;

(3) the individual either:

(A) is totally disabled; or

(B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%); and

(4) the individual's disability is evidenced by:

(A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds ~~one three hundred thirteen~~ thousand dollars ~~(\$113,000)~~. **(\$300,000)**.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 5. IC 6-1.1-12-15, AS AMENDED BY P.L.154-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~23~~1 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the

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individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 6. IC 6-1.1-12-17, AS AMENDED BY P.L.154-2006, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~2~~ **31** of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the deduction; and

(2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the

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individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 7. IC 6-1.1-12-17.5, AS AMENDED BY P.L.154-2006, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the twelve (12) months before June 11 of each year for which the veteran wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~2~~ **31** of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
- (4) any additional information which the department of local government finance may require.

SECTION 8. IC 6-1.1-12-27.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 27.1. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed

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by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before ~~May~~ **June** 11 of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement ~~between January 15 and during the twelve (12) months before March 31, inclusive, 31~~ of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 9. IC 6-1.1-12-30, AS AMENDED BY P.L.154-2006, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 30. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement ~~between March 1 and during the twelve (12) months before June 11 inclusive, 31~~ of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement ~~between January 15 and during the twelve (12) months before March 31, inclusive, 31~~ of each year for which the person desires to obtain the deduction. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 10. IC 6-1.1-12-35.5, AS AMENDED BY P.L.154-2006, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement ~~between~~

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1 ~~March 1~~ **and during the twelve (12) months before** June 11 ~~inclusive~~,
 2 of the assessment year. The person must file the statement in each year
 3 for which the person desires to obtain the deduction. With respect to a
 4 property which is assessed under IC 6-1.1-7, the person must file the
 5 statement ~~between January 15 and~~ **during the twelve (12) months**
 6 **before** March 31, ~~inclusive~~, 31 of each year for which the person
 7 desires to obtain the deduction. The statement may be filed in person
 8 or by mail. If mailed, the mailing must be postmarked on or before the
 9 last day for filing. On verification of the statement by the assessor of
 10 the township in which the property for which the deduction is claimed
 11 is subject to assessment, the county auditor shall allow the deduction.

12 (b) This subsection does not apply to an application for a deduction
 13 under section 34.5 of this chapter. The department of environmental
 14 management, upon application by a property owner, shall determine
 15 whether a system or device qualifies for a deduction provided by
 16 section 31, 33, or 34 of this chapter. If the department determines that
 17 a system or device qualifies for a deduction, it shall certify the system
 18 or device and provide proof of the certification to the property owner.
 19 The department shall prescribe the form and manner of the certification
 20 process required by this subsection.

21 (c) This subsection does not apply to an application for a deduction
 22 under section 34.5 of this chapter. If the department of environmental
 23 management receives an application for certification before May 11 of
 24 the assessment year, the department shall determine whether the system
 25 or device qualifies for a deduction before June 11 of the assessment
 26 year. If the department fails to make a determination under this
 27 subsection before June 11 of the assessment year, the system or device
 28 is considered certified.

29 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5
 30 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal
 31 is limited to a review of a determination made by the township
 32 assessor, county property tax assessment board of appeals, or
 33 department of local government finance.

34 (e) A person who timely files a personal property return under
 35 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
 36 deduction provided in section 31 of this chapter for property that is not
 37 assessed under IC 6-1.1-7 must file the statement described in
 38 subsection (a) ~~between March 1 and~~ **during the twelve (12) months**
 39 **before** June 11 ~~inclusive~~, of that year. A person who obtains a filing
 40 extension under IC 6-1.1-3-7(b) for an assessment year must file the
 41 application between March 1 and the extended due date for that year.

42 (f) This subsection applies only to an application for a deduction

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under section 34.5 of this chapter. The center for coal technology research established by IC 4-4-30-5, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter before May 11 of an assessment year:

(1) the center shall determine whether the building qualifies for a deduction before June 11 of the assessment year; and

(2) if the center fails to make a determination before June 11 of the assessment year, the building is considered certified.

SECTION 11. IC 6-1.1-20.9-3, AS AMENDED BY P.L.154-2006, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An individual who desires to claim the credit provided by section 2 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement shall include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of the year prior to the first year for which the person wishes to obtain the credit for the homestead. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of the first year for which the individual wishes to obtain the credit. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the credit is allowed.

(b) The certified statement referred to in subsection (a) shall contain the name of any other county and township in which the individual owns or is buying real property.

(c) If an individual who is receiving the credit provided by this chapter changes the use of the individual's real property, so that part or all of that real property no longer qualifies for the homestead credit provided by this chapter, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use within sixty (60) days after the date of that change. An individual

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1 who changes the use of the individual's real property and fails to file
 2 the statement required by this subsection is liable for the amount of the
 3 credit the individual was allowed under this chapter for that real
 4 property.

5 (d) An individual who receives the credit provided by section 2 of
 6 this chapter for property that is jointly held with another owner in a
 7 particular year and remains eligible for the credit in the following year
 8 is not required to file a statement to reapply for the credit following the
 9 removal of the joint owner if:

10 (1) the individual is the sole owner of the property following the
 11 death of the individual's spouse;

12 (2) the individual is the sole owner of the property following the
 13 death of a joint owner who was not the individual's spouse; or

14 (3) the individual is awarded sole ownership of property in a
 15 divorce decree.

16 SECTION 12. [EFFECTIVE JANUARY 1, 2007
 17 (RETROACTIVE)] IC 6-1.1-12-2, IC 6-1.1-12-10.1, IC 6-1.1-12-12,
 18 IC 6-1.1-12-15, IC 6-1.1-12-17, IC 6-1.1-12-17.5, IC 6-1.1-12-27.1,
 19 IC 6-1.1-12-30, IC 6-1.1-12-35.5, and IC 6-1.1-20.9-3, all as
 20 amended by this act, apply only to property taxes first due and
 21 payable after December 31, 2007.

22 SECTION 13. [EFFECTIVE JULY 1, 2007] (a) IC 6-1.1-12-14, as
 23 amended by this act, applies to property taxes first due and
 24 payable after December 31, 2006.

25 (b) Notwithstanding the filing deadlines set forth in
 26 IC 6-1.1-12-15, an individual who:

27 (1) was not entitled to claim a deduction for property taxes
 28 due and payable in 2007 under IC 6-1.1-12-14(c), as in effect
 29 on January 1, 2007; and

30 (2) is not prohibited from claiming a deduction by
 31 IC 6-1.1-12-14(c), as amended by this act;

32 may claim a deduction under IC 6-1.1-12-14, as amended by this
 33 act, for taxes first due and payable in 2007. An individual may
 34 claim a deduction under this subsection by filing before July 1,
 35 2007, the statement and information required by IC 6-1.1-12-15
 36 with the auditor of the county in which the individual resides.

37 (c) A county auditor:

38 (1) may apply the entire amount of a deduction claimed under
 39 subsection (b) equally to all installments of property taxes
 40 first due from the taxpayer in 2007; or

41 (2) if application of the deduction to the first installment
 42 would delay the delivery of tax statements more than thirty

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1 (30) days after the date that the tax statements would
 2 otherwise be mailed or transmitted, may issue revised tax
 3 statements and apply the entire deduction to the property tax
 4 due in a later installment.

5 IC 6-1.1-22.5-6 does not apply if the county auditor elects to
 6 proceed under subdivision (2). The department of local
 7 government finance may prescribe procedures to apply deductions
 8 claimed under subsection (b) to tax statements. A county auditor
 9 shall comply with the procedures prescribed under this subsection.

10 (d) If a county auditor applies deductions claimed under
 11 subsection (b) by mailing or transmitting a revised tax statement
 12 under subsection (c)(2), the county auditor shall prominently
 13 include an instruction in the tax statement or on a separate insert
 14 included with the tax statement that assists the recipient of the
 15 statement in discovering that the amount payable in the second
 16 installment is less than the amount specified in the previous tax
 17 statement sent to the recipient and alerts the recipient not to make
 18 a payment that exceeds the amount due.

19 (e) This SECTION expires January 1, 2008.

20 SECTION 14. An emergency is declared for this act.

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SENATE MOTION

Madam President: I move that Senator Kenley be added as second author of Senate Bill 416.

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COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 416, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 416 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 8, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 416, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

CRAWFORD, Chair

Committee Vote: yeas 20, nays 0.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 416 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-12-2, AS AMENDED BY P.L.154-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms

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prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the person wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~2~~ 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

- (1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.
- (2) The assessed value of the real property, mobile home, or manufactured home.
- (3) The full name and complete residence address of the person and of the mortgagee or contract seller.
- (4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.
- (5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.
- (6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or sold under the contract.
- (7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

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(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument."

Page 1, line 14, delete "2" and insert "31".

Page 2, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-12-12, AS AMENDED BY P.L.141-2006, SECTION 9, AS AMENDED BY P.L.145-2006, SECTION 16, AND AS AMENDED BY P.L.154-2006, SECTION 14, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be filed during the twelve (12) months before ~~May~~ June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March ~~2~~ 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of a county office of family and children, the division of family ~~and children~~, resources, or the division of disability ~~aging~~, and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that ~~he~~ the individual is to pay property taxes on the real property, mobile home, or

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manufactured home.

SECTION 4. IC 6-1.1-12-15, AS AMENDED BY P.L.154-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~2~~ **31** of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;
- (2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or
- (3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 5. IC 6-1.1-12-17, AS AMENDED BY P.L.154-2006, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this chapter, a surviving spouse who desires to claim the deduction

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provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~2~~ **31** of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

- (1) a sworn statement that the surviving spouse is entitled to the deduction; and
- (2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 6. IC 6-1.1-12-17.5, AS AMENDED BY P.L.154-2006, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the twelve (12) months before June 11 of each year for which the veteran wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~2~~ **31** of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one

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- (1) taxing district in the same county. The statement shall contain:
- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
 - (2) the veteran's full name and complete residence address;
 - (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
 - (4) any additional information which the department of local government finance may require."

Page 2, line 37, delete "2" and insert "**31**".

Page 3, line 14, delete "2" and insert "**31**".

Page 3, line 35, delete "2" and insert "**31**".

Page 5, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 10. IC 6-1.1-20.9-3, AS AMENDED BY P.L.154-2006, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An individual who desires to claim the credit provided by section 2 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement shall include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of the year prior to the first year for which the person wishes to obtain the credit for the homestead. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March ~~2~~ **31** of the first year for which the individual wishes to obtain the credit. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the credit is allowed.

(b) The certified statement referred to in subsection (a) shall contain the name of any other county and township in which the individual owns or is buying real property.

(c) If an individual who is receiving the credit provided by this chapter changes the use of the individual's real property, so that part or all of that real property no longer qualifies for the homestead credit provided by this chapter, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of

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use within sixty (60) days after the date of that change. An individual who changes the use of the individual's real property and fails to file the statement required by this subsection is liable for the amount of the credit the individual was allowed under this chapter for that real property.

(d) An individual who receives the credit provided by section 2 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the credit in the following year is not required to file a statement to reapply for the credit following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of property in a divorce decree."

Page 5, line 2, after "(RETROACTIVE)]" insert "**IC 6-1.1-12-2,**".

Page 5, line 3, after "IC 6-1.1-12-10.1," insert "**IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17, IC 6-1.1-12-17.5,**".

Page 5, line 3, delete "and".

Page 5, line 4, after "IC 6-1.1-12-35.5," insert "**and IC 6-1.1-20.9-3,**".

Re-number all SECTIONS consecutively.

(Reference is to ESB 416 as printed March 13, 2007.)

BATTLES

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 416 be amended to read as follows:

Page 2, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-12-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract

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that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
- (2) the individual received an honorable discharge;
- (3) the individual either:
 - (A) is totally disabled; or
 - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%); and
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds ~~one~~ **three** hundred ~~thirteen~~ thousand dollars (~~\$113,000~~). **(\$300,000)**.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home."

Page 5, between lines 5 and 6, begin a new paragraph and insert:

"SECTION. 7. [EFFECTIVE JULY 1, 2007] (a) IC 6-1.1-12-14, as amended by this act, applies to property taxes first due and payable after December 31, 2006.

(b) Notwithstanding the filing deadlines set forth in IC 6-1.1-12-15, an individual who:

- (1) was not entitled to claim a deduction for property taxes due and payable in 2007 under IC 6-1.1-12-14(c), as in effect on January 1, 2007; and**

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(2) is not prohibited from claiming a deduction by IC 6-1.1-12-14(c), as amended by this act; may claim a deduction under IC 6-1.1-12-14, as amended by this act, for taxes first due and payable in 2007. An individual may claim a deduction under this subsection by filing before July 1, 2007, the statement and information required by IC 6-1.1-12-15 with the auditor of the county in which the individual resides.

(c) A county auditor:

(1) may apply the entire amount of a deduction claimed under subsection (b) equally to all installments of property taxes first due from the taxpayer in 2007; or

(2) if application of the deduction to the first installment would delay the delivery of tax statements more than thirty (30) days after the date that the tax statements would otherwise be mailed or transmitted, may issue revised tax statements and apply the entire deduction to the property tax due in a later installment.

IC 6-1.1-22.5-6 does not apply if the county auditor elects to proceed under subdivision (2). The department of local government finance may prescribe procedures to apply deductions claimed under subsection (b) to tax statements. A county auditor shall comply with the procedures prescribed under this subsection.

(d) If a county auditor applies deductions claimed under subsection (b) by mailing or transmitting a revised tax statement under subsection (c)(2), the county auditor shall prominently include an instruction in the tax statement or on a separate insert included with the tax statement that assists the recipient of the statement in discovering that the amount payable in the second installment is less than the amount specified in the previous tax statement sent to the recipient and alerts the recipient not to make a payment that exceeds the amount due.

(e) This SECTION expires January 1, 2008."

Renumber all SECTIONS consecutively.

(Reference is to ESB 416 as printed March 13, 2007.)

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